ALLENTOWN-BETHLEHEM MSA ALTOONA MSA BEAVER COUNTY PMSA ERIE MSA HARRISBURG-LEBANON-CARLISLE MSA JOHNSTOWN MSA LANCASTER MSA PHILADELPHIA PMSA PITTSBURGH PMSA READING MSA SCRANTON /WILKES-BARRE MSA SHARON MSA STATE COLLEGE MSA WILLIAMSPORT MSA YORK MSA

ISSUED: August 1991

PENNSYLVANIA'S LABOR FORCE

..... *A Monthly Statistical Analysis*

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JULY 1991 HIGHLIGHTS

- Pennsylvania's joblessness increased in July, as the statewide rate of unemployment rose to 7.0 percent, seasonally adjusted, from 6.7 percent in June.
- Nonfarm jobs decreased by 26,600 in July to a total of 5,137,700. They were about 40,800 below their level of July 1990.

In June 1991 . . .

- Average weekly earnings of production workers in Pennsylvania manufacturing industries rose to $463.32, as the average workweek increased 0.4 hour and average hourly pay rose 5 cents.
- The total number of initial claims and weeks claimed fell from May to their lowest monthly levels so far this year.
- Unadjusted unemployment rates fell in 65 of Pennsylvania's 67 counties.
- Fourteen of Pennsylvania's fifteen major labor market areas had lower seasonally adjusted unemployment rates than in May.

Special Interest Topic: UC Fund Solvency Trigger

LABOR MARKET INFORMATION

Commonwealth of Pennsylvania

Robert P. Casey, Governor

Department of Labor and Industry Bureau of Research and Statistics

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF LABOR AND INDUSTRY
BUREAU OF RESEARCH AND STATISTICS

Pennsylvania's Labor Force . . . A Monthly Statistical Analysis

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Inquiries can also be directed to Labor Market Analysts located throughout Pennsylvania.

The following is a list of Analysts and the counties they serve.

Analyst	Phone Number	Counties Served
Edward Murray	(215)560-1977 Philadelphia	Bucks, Chester, Delaware, Montgomery, Philadelphia Counties in PA; Burlington, Camden, and Gloucester Counties in NJ
Kenneth Shockley	(215)378-4314 Reading	Carbon, Lehigh, Northampton, Pike, Wayne, Schuylkill, Berks Counties in PA; Warren County, NJ
James Mowad	(717)963-3443 Scranton	Columbia, Lackawanna, Luzerne, Monroe, Wyoming, Sullivan, Susquehanna, Bradford, Tioga
Fred Schneider Larry Baugher	(717)771-1272 York	Cumberland, Dauphin, Lebanon, Perry, Lancaster, Adams, York, Franklin, Fulton
Glenn Lynn	(717)327-3504 Williamsport	Centre, Lycoming, Potter, Juniata, Mifflin, Clinton, Montour, Northumberland, Snyder, Union
William Findley Debra Nicholson	(814)533-2213 Johnstown	Blair, Cambria, Somerset, Bedford, Clearfield, Jefferson, Huntingdon, Elk, Cameron, Greene
William Ceriani Roberta Wilson	(412)565-5350 Pittsburgh	Beaver, Allegheny, Fayette, Washington, Westmoreland, Butler, Indiana, Armstrong, Lawrence
Carol Patterson	(814)871-4298 Erie	Erie, Mercer, McKean, Clarion, Crawford, Forest, Venango, Warren

CURRENT LABOR FORCE SITUATION

A SMALL SETBACK in Pennsylvania's unemployment was posted as the July rate rose to 7.0 percent of the civilian labor force. This rise follows June's sharp drop, seasonally adjusted, to 6.7 percent.

Data, made available through the Current Population Survey of households and released by the U.S. Department of Labor's Bureau of Labor Statistics, show July's unemployment in Pennsylvania, adjusted for seasonality, up 21,000 to 418,000. Although this pushed the rate of unemployment up 0.3 percentage point to 7.0 percent in July, we do not believe that it represents a relapse into recession. We believe that it represents an uneven turn in the stabilizing of our employment base since the recession low of May. July's unemployment volume and rate were still better than the three month period March through May. One year ago, the jobless rate was 5.1 percent.

Employment, seasonally adjusted, was 5,534,000, down 9,000 over the month. This was only 43,000 below the year-earlier level, reflecting the limited loss of jobs experienced during the recent recession. Losses typically ran well over 100,000 during past recessions.

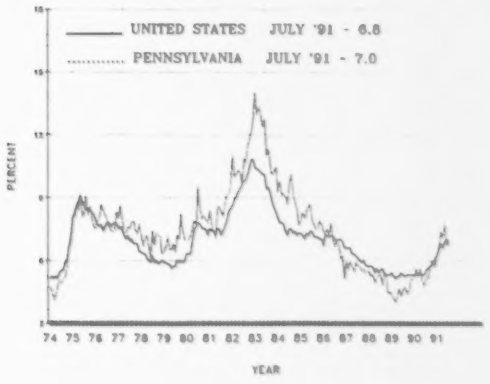
In light of limited job losses, the strongest force behind the rise in unemployment during the past year continues to be a sharply expanded labor force. July's labor force was up 12,000 to 5,952,000, the third highest level on record, behind only April and May of this year. Confident jobseekers have entered the labor force in large numbers, pushing the labor force up 74,000 above the year-ago level.

Among the eleven largest states for which seasonally adjusted data are available, Pennsylvania's 7.0 percent rate of unemployment in July ranked sixth, up from seventh in June. Pennsylvania was among four states with rate increases. Six states had unemployment rate decreases and one was unchanged.

TABLE 1
TOTAL CIVILIAN LABOR FORCE
EMPLOYMENT AND UNEMPLOYMENT
IN PENNSYLVANIA
(All persons in thousands)

RESIDENT DATA	JUL. 1991	JUN. 1991	JUL. 1990	NET CHANGE FROM JUN. 1991	NET CHANGE FROM JUL. 1990
SEASONALLY ADJUSTED DATA					
Civilian Labor Force	5,952	5,940	5,878	12	74
Employment	5,534	5,543	5,577	-9	-43
Unemployment	418	397	301	21	117
Rate of Unemployment (%)	7.0	6.7	5.1	0.3	1.9
UNADJUSTED DATA					
Civilian Labor Force	6,051	6,024	5,974	27	77
Employment	5,625	5,618	5,664	7	-39
Unemployment	426	406	310	20	116
Rate of Unemployment (%)	7.0	6.7	5.2	0.3	1.8

UNITED STATES & PENNSYLVANIA
UNEMPLOYMENT RATES
(SEASONALLY ADJUSTED)



PENNSYLVANIA'S JOBS

TABLE 2
NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
(Not seasonally adjusted, number in thousands)

ESTABLISHMENT DATA	JUL. 1991 AP/	JUN. 1991 P/	MAY 1991	JUN. 1990	NET CHANGE TO JUN. 1991 FROM: MAY 1991	JUN. 1990
NONAG. WAGE AND SALARY	5,137.7	5,164.3	5,153.5	5,212.2	10.8	-47.9
---GOODS PRODUCING INDUSTRIES	1,226.5	1,229.7	1,217.8	1,290.9	11.9	-61.2
MINING	26.2	26.8	26.4	28.2	0.4	-1.4
CONSTRUCTION	235.4	229.6	222.4	239.5	7.2	-9.9
MANUFACTURING	964.9	973.3	969.0	1,023.2	4.3	-49.9
DURABLE GOODS INDUSTRIES	541.2	543.7	542.4	580.6	1.3	-36.9
LUMBER AND WOOD PRODUCTS		29.0	29.0	32.3	0.0	-3.3
FURNITURE AND FIXTURES		18.1	18.0	20.0	0.1	-1.9
STONE, CLAY, AND GLASS PRODUCTS		43.6	43.7	46.8	-0.1	-3.2
PRIMARY METAL INDUSTRIES		82.6	82.9	90.4	-0.3	-7.8
FABRICATED METAL PRODUCTS		84.1	83.0	89.4	1.1	-5.3
INDUSTRIAL MACHINERY		101.9	102.2	107.8	-0.3	-5.9
ELECTRONIC EQUIPMENT		77.4	76.8	80.6	0.6	-3.2
TRANSPORTATION EQUIPMENT		48.7	48.8	53.0	-0.1	-4.3
INSTRUMENTS AND RELATED PRODUCTS		37.8	37.7	39.8	0.1	-2.0
MISCELLANEOUS MANUFACTURING		20.5	20.3	20.5	0.2	0.0
NONDURABLE GOODS INDUSTRIES	423.7	429.6	426.6	442.6	3.0	-13.0
FOOD AND KINDRED PRODUCTS		87.4	86.7	88.5	0.7	-1.1
TOBACCO MANUFACTURES		1.1	1.1	1.1	0.0	0.0
TEXTILE MILL PRODUCTS		26.6	26.3	28.4	0.3	-1.8
APPAREL AND OTHER TEXTILE PRODS.		66.2	66.1	71.0	0.1	-4.8
PAPER AND ALLIED PRODUCTS		40.0	39.2	40.9	0.8	-0.9
PRINTING AND PUBLISHING		83.7	83.8	85.8	-0.1	-2.1
CHEMICALS AND ALLIED PRODUCTS		62.3	62.0	62.1	0.3	0.2
PETROLEUM AND COAL PRODUCTS		11.8	11.5	11.6	0.3	0.2
RUBBER AND PLASTICS PRODUCTS		42.2	41.6	43.5	0.6	-1.3
LEATHER AND LEATHER PRODUCTS		8.3	8.3	9.7	0.0	-1.4
---SERVICE PRODUCING INDUSTRIES	3,909.8	3,934.2	3,931.4	3,920.0	2.8	14.2
TRANSPORTATION	158.0	164.1	165.4	161.8	-1.3	2.3
PUBLIC UTILITIES	105.0	105.0	104.3	105.8	0.7	-0.8
COMMUNICATIONS		51.2	50.9	50.2	0.3	1.0
ELECTRIC, GAS AND SANITARY		53.8	53.4	55.6	0.4	-1.8
WHOLESALE TRADE	275.3	275.0	273.5	279.2	1.5	-4.2
RETAIL TRADE	905.5	906.2	897.7	905.1	8.5	1.1
GENERAL MERCHANDISE STORES		116.9	116.4	116.5	0.5	0.4
FINANCE, INSURANCE AND REAL ESTATE	304.5	303.6	300.3	302.1	3.3	1.5
FINANCE		141.7	140.7	142.4	1.0	-0.7
INSURANCE		118.3	117.6	116.5	0.7	1.8
REAL ESTATE		43.6	42.0	43.2	1.6	0.4
SERVICES	1,494.5	1,488.4	1,480.3	1,457.3	8.1	31.1
BUSINESS SERVICES		212.3	209.4	212.5	2.9	-0.2
HEALTH SERVICES		490.4	485.5	474.9	4.9	15.5
HOSPITALS		263.7	260.6	255.0	3.1	8.7
LEGAL SERVICES		44.2	43.0	42.9	1.2	1.3
EDUCATIONAL SERVICES		141.2	159.8	139.0	-18.6	2.2
SOCIAL SERVICES		109.0	108.5	104.1	0.5	4.9
OTHER SERVICES		491.3	474.1	483.9	17.2	7.4
GOVERNMENT	667.0	691.9	709.9	708.7	-18.0	-16.8
FEDERAL		136.4	135.8	148.2	0.6	-11.8
STATE		140.3	151.5	142.8	-11.2	-2.5
LOCAL		415.2	422.6	417.7	-7.4	-2.5
---PERSONS IN LABOR-MGMT. DISPUTES	1.4	0.4	4.3	1.3	-3.9	-0.9

AP/= Advance preliminary, based on early survey returns.
P/= Preliminary data.

JOBS DECLINED 26,600 in July to 5,137,700 following the usual seasonal pattern, according to advance preliminary data from the monthly survey of employer payrolls. The July total was 40,800 under that of July 1990.

Jobs in goods-producing industries, at 1,226,500, fell by 3,200 from June with losses of 8,400 in manufacturing partially offset by gains of 5,800 in construction. Service-producing jobs fell by 24,400 to 3,909,800 reflecting chiefly temporary layoffs in transportation and government as schools closed for the summer. The overall year-to-year decrease was the net result of losses since July 1990 of 62,500 in the goods-producing sector and gains of 21,500 in the service-producing sector.

JOBS INCREASED for the fifth consecutive month in June. Nonagricultural payrolls rose by 10,800 to 5,164,300, their highest level of the year. This over-the-month gain was only about half of the seasonal norm but was certainly a step in the right direction. Neither the goods-producing nor the service-producing sector performed up to expectations. Jobs remained 47,900 under their level of June 1990.

The monthly nonfarm job count excludes farm workers, the self-employed, domestic workers and unpaid family workers.

Goods-producing jobs numbered 1,229,700 in June - up 11,900 from May 1991 but down 61,200 from June 1990. Gains in the mining and construction divisions were close to their seasonal norms but smaller than usual for manufacturing.

Manufacturing, after consecutive record lows in April and May, rebounded slightly in June to 973,300 - up 4,300 from May but 49,900 below June 1990. Both durable and nondurable goods recorded smaller than usual over-the-month gains. Durable goods, those products designed to last three or more years, gained 1,300 jobs from May to June following a sharp increase in durable goods orders during May. However, many employers increased their workweek rather than their number of employes to cover new orders. This will remain the rule until their confidence in the economy increases because hiring short-term employes is more costly than overtime. Nondurable goods generally fared better than durables but still lagged June 1990's jobs by 13,000.

Service-producing industries provided 3,934,200 jobs in June -- up 2,800 from May to the fourth best level on record. The service industry, spurred by much better than expected gains in several segments, was the driving force here. Despite an 18,600 loss in educational services, a net over-the-month service industry pickup of 8,100 brought the June job level to an all-time high of 1,488,400. Retail trade was also strong, rising 8,500 over the month. With the exception of transportation and government, both affected by the end of the school year, all service-producing industries recorded over-the-month gains.

EMPLOYERS

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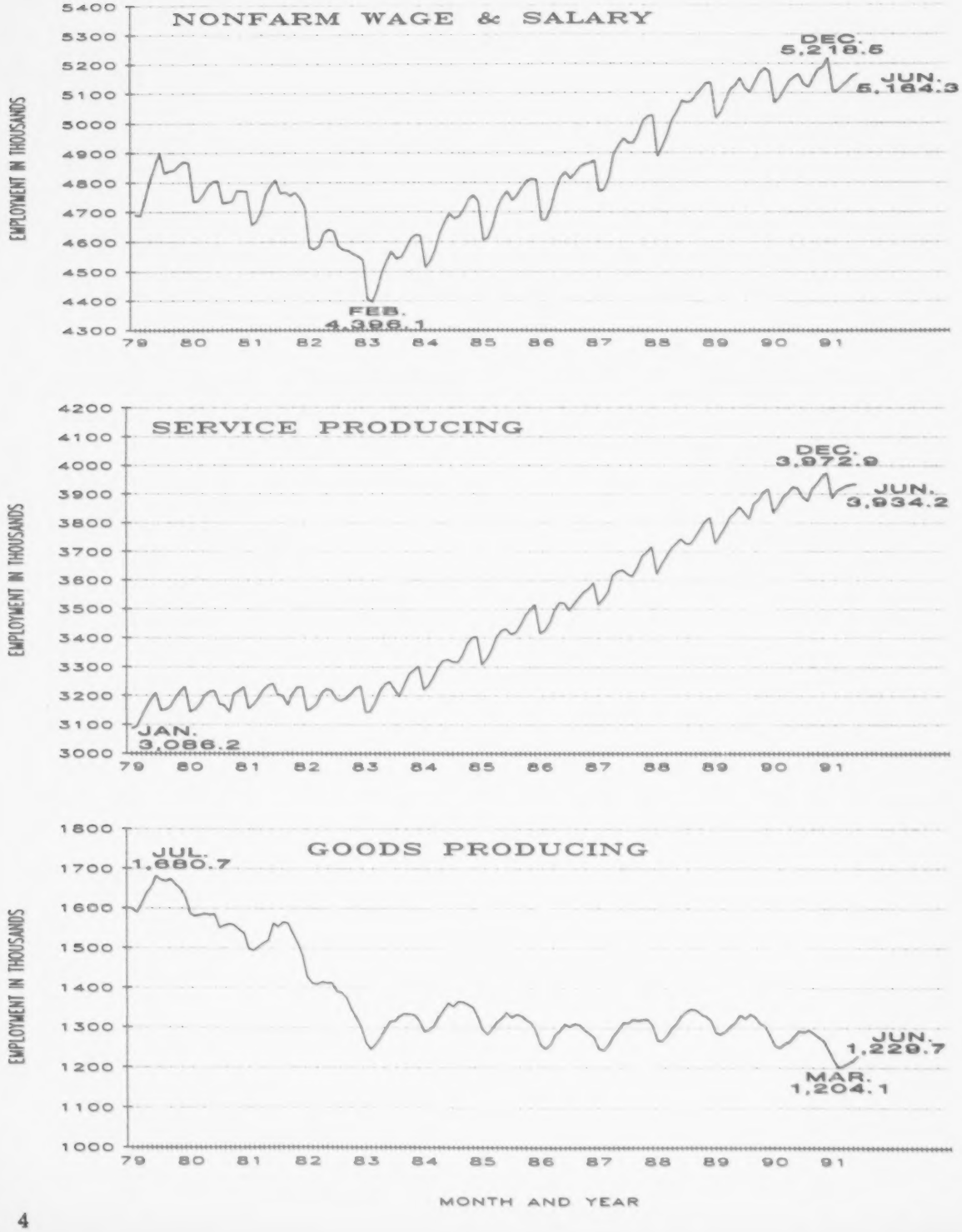
PENNSYLVANIA WAGE & SALARY JOBS
NOT SEASONALLY ADJUSTED DATA



HOURS AND EARNINGS

TABLE 3
PENNSYLVANIA HOURS AND EARNINGS
OF MANUFACTURING AND SELECTED NONMANUFACTURING PRODUCTION WORKERS
(Not seasonally adjusted, number in thousands)

INDUSTRY TITLE	AVERAGE WEEKLY EARNINGS			AVERAGE WEEKLY HOURS			AVERAGE HOURLY EARNINGS		
	JUN. 1991 P/	MAY 1991	JUN. 1990	JUN. 1991 P/	MAY 1991	JUN. 1990	JUN 1991 P/	MAY 1991	JUN. 1990
GOODS PRODUCING INDUSTRIES									
COAL MINING	$738.90	$702.96	$736.81	45.0	43.1	44.9	$16.42	$16.31	$16.41
NONMETALLIC MINERALS	544.05	537.78	521.85	46.5	46.4	46.1	11.70	11.59	11.32
MANUFACTURING INDUSTRIES	463.32	456.74	449.90	40.5	40.1	40.9	11.44	11.39	11.00
DURABLE GOODS	504.15	494.40	488.78	41.7	41.2	42.1	12.09	12.00	11.61
LUMBER AND WOOD PRODUCTS	387.32	374.86	361.78	40.6	39.5	39.8	9.54	9.49	9.09
FURNITURE AND FIXTURES	394.94	385.26	363.65	40.3	39.8	39.7	9.80	9.68	9.16
STONE, CLAY, AND GLASS PRODS.	498.54	490.12	484.50	42.0	41.5	42.5	11.87	11.81	11.40
PRIMARY METALS	589.45	565.34	571.56	42.9	41.6	43.3	13.74	13.59	13.20
FABRICATED METAL PRODUCTS	474.24	460.53	464.88	41.6	40.9	42.3	11.40	11.26	10.99
INDUSTRIAL MACHINERY	525.42	516.26	517.20	42.0	41.4	43.1	12.51	12.47	12.00
ELECTRIC AND ELECTRONIC MACH.	467.17	463.29	451.50	41.6	41.7	42.0	11.23	11.11	10.75
TRANSPORTATION EQUIPMENT	585.22	591.63	570.68	41.3	41.9	41.9	14.17	14.12	13.62
INSTRUMENTS AND RELATED PROD.	477.30	460.85	456.85	40.9	39.9	40.9	11.67	11.55	11.17
MISCELLANEOUS MANUFACTURES	460.35	462.51	437.89	40.1	40.5	40.1	11.48	11.42	10.92
NONDURABLE GOODS	413.01	409.06	398.90	39.0	38.7	39.3	10.59	10.57	10.15
FOOD AND KINDRED PRODUCTS	441.78	441.39	450.31	39.2	39.2	40.9	11.27	11.26	11.01
TOBACCO PRODUCTS	285.07	274.22	271.75	40.9	39.4	40.2	6.97	6.96	6.76
TEXTILE PRODUCTS	323.70	322.87	311.22	39.0	38.9	39.0	8.30	8.30	7.98
APPAREL AND RELATED PRODUCTS	241.85	237.32	231.17	34.6	34.0	34.4	6.99	6.98	6.72
PAPER PRODUCTS	504.64	506.68	492.35	42.3	42.4	43.0	11.93	11.95	11.45
PRINTING AND PUBLISHING	445.70	437.95	436.25	37.9	37.4	38.1	11.76	11.71	11.45
CHEMICAL AND ALLIED PRODUCTS	572.65	573.08	554.04	42.2	42.2	42.1	13.57	13.58	13.16
PETROLEUM AND COAL PRODUCTS	750.52	748.67	643.71	46.3	46.3	42.8	16.21	16.17	15.04
RUBBER AND PLASTICS PRODUCTS	420.66	413.09	405.04	41.0	40.9	41.5	10.26	10.10	9.76
LEATHER PRODUCTS	293.04	283.86	270.74	39.6	38.0	38.9	7.40	7.47	6.96
SERVICE PRODUCING INDUSTRIES									
COMMUNICATIONS	571.53	573.80	575.91	37.7	38.0	40.7	15.16	15.10	14.15
ELECTRIC, GAS, & SANITARY	728.45	730.60	692.08	42.5	42.7	42.8	17.14	17.11	16.17

P/ = Preliminary Data

WORKWEEKS INCREASED an average of four-tenths of an hour in June for production workers in Pennsylvania's factories. The June workweek stood at 40.5 hours. If the recent upturn in orders is more than a one-time spurt, the average workweek will increase substantially over the next few months. Hiring new employes is expensive and these costs can be prohibitive for short-term hires. Thus, many employers opt for overtime which is cheaper should the economy turn back down. Widescale new hiring will not occur until managements' confidence in the economy returns.

The workweek in the durable goods sector averaged 41.7 hours in June. This was up one-half of an hour from May but four-tenths of an hour less than June 1990. Only two of the ten durable goods industries, lumber and wood products and furniture and fixtures, had longer workweeks this June than last. In the nondurable goods sector, where the workweek is normally shorter than in durable goods, the June workweek averaged 39.0 hours. This was three-tenths of an hour longer than May's workweek but shorter than last June's by an equal amount.

June's average weekly earnings, at $463.32, were the second highest ever -- seven cents below the all-time high set last November. The June earnings were $6.58 higher than those of May -- the combined result of the aforementioned increase in hours and a five-cent gain in average hourly pay. Earnings were up $13.42 from June 1990.

PENNSYLVANIA HOURS & EARNINGS
FOR MANUFACTURING PRODUCTION WORKERS

UNEMPLOYMENT COMPENSATION

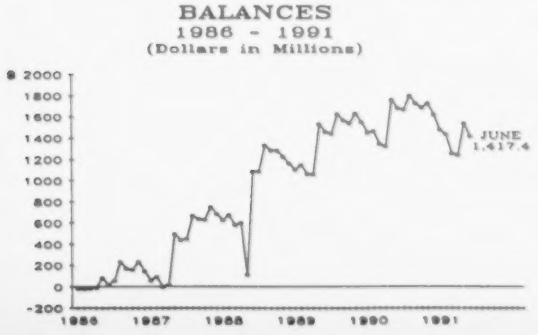
TABLE 4
UNEMPLOYMENT COMPENSATION REGULAR PROGRAM
(Not seasonally adjusted)

	JUN. 1991	MAY 1991	JUN. 1990	NET CHANGE FROM MAY 91	NET CHANGE FROM JUN. 90
CLAIMS ACTIVITY					
Initial Claims	97,940	102,710	88,201	-4,770	9,739
Weeks Claimed	749,118	862,892	541,901	-113,774	207,217
...Average Weekly Volume	187,280	187,585	129,024	-305	58,256
Insured Unemployment Rate	3.8%	3.8%	2.6%	0.0	1.2
PAYMENT ACTIVITY					
First Payments	34,364	40,949	30,711	-6,585	3,653
Final Payments	12,818	14,943	8,074	-2,125	4,744
Weeks Paid	710,015	867,043	525,730	-157,028	184,285
Net Benefit Amount	$130,223,297	$156,063,187	$88,513,767	-$25,839,890	$41,709,530
Average Check	$183.41	$179.99	$168.36	$3.42	$15.05

CLAIMS FELL in June to their lowest level of 1991. Initial claims fell by 4,770 or 5 percent from May to 97,940 and weeks claimed dropped by 113,774 or 13 percent to 749,118. However, claims in June remained higher than a year ago. During the first six months of 1991, initial claims and weeks claimed were 24 percent and 39 percent greater, respectively, than for the first half of 1990. Two fewer work days in June than in May kept the average weekly claims at 187,000 and the insured unemployment rate at 3.8 percent.

The average check rose $3.42 to $183.41 in June but weeks paid dropped 157,028 or 18 percent resulting in the net benefit amount falling by $26 million from May to $130 million in June. This was the lowest monthly benefit cost so far in 1991 but almost $42 million higher than in June 1990. During June, income to the Unemployment Compensation Trust Fund trailed disbursements by $121 million. This reduced the Fund's cash reserves at the end of the month to $1.4 billion, $264 million below the June 30, 1990 balance.

UNEMPLOYMENT COMPENSATION TRUST FUND ACTIVITY



JUNE 1991		
Income	$	9,001,260
Disbursements	$	130,222,727
Cash Reserves	$	1,417,357,544

UNEMPLOYMENT ... A GEOGRAPHIC VIEW

LOWER UNEMPLOYMENT rates were posted in 65 of Pennsylvania's 67 counties from May to June. Only in Blair and Armstrong Counties were the June rates higher. Blair County, where the rate rose six-tenths of a percentage point to 10.2 percent, recorded the larger over-the-month increase. The inability of the local economy to provide new jobs at a time when the labor force was recording a substantial expansion was integral here. Mifflin County, which had the state's highest rate in May, recorded the largest month-to-month rate decrease with a drop of 3.5 percentage points to 9.8 percent. The timing of repetitive short-term layoffs has had a significant impact on unemployment rates in Mifflin County. Short-term layoffs tend to have a greater impact on the unemployment rate if they occur in the survey week than in other times of a month.

Although the economy has shown recent signs of pulling out of the recession, all but one Pennsylvania county had a higher unemployment rate this June than in June 1990. Only Forest County, the state's smallest, had a rate decrease (six-tenths of a percentage point) from last year. Sullivan County, the state's second smallest, recorded the largest over-the-year rate increase - up 5.2 percentage points to 9.1 percent. Over 150 jobs were lost when the county's largest factory closed in March.

JUNE RATE OF UNEMPLOYMENT

- 4.3 to 6.5
- 6.6 to 7.5
- 7.6 to 8.5
- 8.6 to 11.8

TABLE 5
PENNSYLVANIA COUNTIES RANKED BY RATE OF UNEMPLOYMENT
(Not seasonally adjusted)
JUNE 1991

COUNTY	JUN. 1991 (Prel.) RANK	RATE	VOLUME	MAY RATE	DIFF
Chester	1	4.3	8,800	4.8	-0.5
Cumberland	2	4.7	5,300	5.0	-0.3
Montgomery	3	4.9	19,400	5.5	-0.6
Lancaster	4	5.0	11,700	5.7	-0.7
Allegheny	5	5.1	34,700	5.6	-0.5
Dauphin	5	5.1	7,000	6.0	-0.9
Delaware	7	5.5	16,200	6.0	-0.5
Lebanon	8	5.6	3,700	6.7	-1.1
Adams	9	5.9	2,400	6.2	-0.3
Snyder	9	5.9	1,100	7.8	-1.9
Centre	11	6.1	4,000	6.6	-0.5
York	11	6.1	11,400	7.0	-0.9
Montour	13	6.2	500	6.4	-0.2
Bradford	14	6.5	2,100	7.4	-0.9
Erie	15	6.6	9,100	7.5	-0.9
Fulton	15	6.6	400	9.7	-3.1
Mercer	15	6.6	3,500	7.4	-0.8
Northampton	15	6.6	8,000	7.3	-0.7
Westmoreland	15	6.6	11,900	7.2	-0.6
Berks	20	6.7	11,900	7.6	-0.9
Butler	20	6.7	5,300	7.2	-0.5
Lawrence	20	6.7	3,200	7.3	-0.6
Lehigh	20	6.7	10,500	7.4	-0.7
Franklin	24	6.8	4,200	8.0	-1.2
Perry	24	6.8	1,500	7.8	-1.0
Warren	26	6.9	1,600	7.1	-0.2
Bucks	27	7.0	21,600	7.8	-0.8
Washington	27	7.0	6,700	7.3	-0.3
Wayne	29	7.4	1,600	9.4	-2.0
Tioga	30	7.6	1,400	8.0	-0.4
Union	31	7.7	1,300	8.5	-0.8
Columbia	32	7.8	2,500	9.0	-1.2
Wyoming	32	7.8	1,100	8.5	-0.7
Forest	34	7.9	100	9.4	-1.5
Lycoming	34	7.9	4,800	8.9	-1.0
McKean	34	7.9	1,700	9.3	-1.4
Monroe	34	7.9	4,000	9.8	-1.9
Potter	34	7.9	700	8.9	-1.0
Lackawanna	39	8.0	8,900	9.1	-1.1
Venango	39	8.0	2,100	8.5	-0.5
Philadelphia	41	8.1	60,600	9.0	-0.9
Cameron	42	8.2	200	10.2	-2.0
Somerset	42	8.2	2,800	9.3	-1.1
Pike	44	8.3	1,100	9.9	-1.6
Jefferson	45	8.4	1,700	8.8	-0.4
Susquehanna	46	8.5	1,500	9.9	-1.4
Fayette	47	8.6	5,200	9.8	-1.2
Clarion	48	8.7	1,500	9.7	-1.0
Luzerne	48	8.7	14,200	9.5	-0.8
Crawford	50	8.9	3,600	10.2	-1.3
Beaver	51	9.1	5,600	9.9	-0.8
Carbon	51	9.1	2,400	11.9	-2.8
Sullivan	51	9.1	300	11.2	-2.1
Cambria	54	9.3	6,200	10.1	-0.8
Schuylkill	55	9.4	7,000	10.9	-1.5
Bedford	56	9.5	2,200	9.7	-0.2
Juniata	56	9.5	1,000	11.6	-2.1
Northumberland	58	9.7	4,800	11.0	-1.3
Elk	59	9.8	1,800	11.4	-1.6
Mifflin	59	9.8	2,200	13.3	-3.5
Armstrong	61	10.0	3,000	9.9	0.1
Clinton	62	10.1	1,600	11.6	-1.5
Blair	63	10.2	6,500	9.6	0.6
Clearfield	64	10.7	3,800	12.0	-1.3
Huntingdon	65	11.0	2,100	12.7	-1.7
Indiana	66	11.3	4,000	11.8	-0.5
Greene	67	11.8	1,600	12.0	-0.2

PENNSYLVANIA'S LABOR MARKET AREAS

TABLE 6
TOTAL UNEMPLOYMENT VOLUME AND RATE
BY MAJOR LABOR MARKET AREA IN PENNSYLVANIA
(Seasonally adjusted, number in thousands)

AREA	JUN. 1991 * UNEMPLOYMENT NUMBER	JUN. 1991 * UNEMPLOYMENT RATE%	MAY 1991 UNEMPLOYMENT NUMBER	MAY 1991 UNEMPLOYMENT RATE%	JUN. 1990 UNEMPLOYMENT NUMBER	JUN. 1990 UNEMPLOYMENT RATE%
UNITED STATES	8,745.0	7.0	8,640.0	6.9	6,560.0	5.3
PENNSYLVANIA	397.0	6.7	459.0	7.7	284.0	4.8
LABOR MARKET AREA						
ALLENTOWN-BETHLEHEM MSA	23.5	6.9	26.0	7.6	16.2	4.8
ALTOONA MSA	6.6	10.5	6.3	10.1	4.0	6.5
BEAVER COUNTY PMSA	5.7	9.5	6.1	10.1	4.2	7.1
ERIE MSA	9.0	6.6	10.2	7.5	6.3	4.7
HARRISBURG-LEB-CARLISLE MSA	17.4	5.2	20.4	6.1	14.0	4.2
JOHNSTOWN MSA	8.9	9.0	10.1	10.1	6.7	7.0
LANCASTER MSA	11.2	4.9	13.4	5.9	8.5	3.7
PHILADELPHIA PMSA	156.3	6.3	176.0	7.1	102.0	4.2
PITTSBURGH PMSA	59.2	5.9	64.4	6.4	42.2	4.3
READING MSA	11.7	6.6	12.8	7.2	7.8	4.4
SCRANTON--WILKES-BARRE MSA	30.5	8.3	35.5	9.6	22.5	6.2
SHARON MSA	3.5	6.7	3.9	7.4	2.5	4.8
STATE COLLEGE MSA	4.0	5.9	4.5	6.6	3.2	4.8
WILLIAMSPORT MSA	5.2	8.7	5.4	9.0	3.9	6.6
YORK MSA	13.7	6.1	15.6	6.9	10.1	4.5

*Preliminary data

UNEMPLOYMENT RATES dropped from May to June in 14 of Pennsylvania's 15 major labor market areas. Only the Altoona Metropolitan Statistical Area (MSA) had a higher June rate. The Altoona economy, slowed by a one month shutdown in the rail industry, lost jobs at a time when the labor force swells with jobseeking students at the end of their school terms. All other areas had rate declines ranging from three-tenths of a percentage point in the Williamsport MSA to 1.3 percentage points in the Scranton/Wilkes-Barre MSA, where better-than-expected job gains were more than enough to counter the influx of new job seekers.

As is frequently the case, the lowest seasonally adjusted June unemployment rate, 4.9 percent, was registered in the Lancaster MSA. At 10.5 percent, the Altoona MSA had the highest rate. This was a full percentage point above the next highest rate which occurred in the Beaver County Primary Metropolitan Statistical Area. Beaver County PMSA has been plagued with high unemployment since the collapse of the steel industry in the early 1980's.

The smallest over-the-year unemployment rate increase was 1.0 percentage point in the Harrisburg-Lebanon-Carlisle MSA which, as the state capital, is less susceptible to wide vacillations in the economy. The largest increase from last June was 4.0 percentage points in the Altoona MSA.

SERVICE DELIVERY AREAS

TABLE 7
MONTHLY EMPLOYMENT SITUATION
JUNE 1991 --- PRELIMINARY
(DATA NOT SEASONALLY ADJUSTED, VOLUME IN THOUSANDS)

SDA NO.	COUNTIES	LABOR FORCE	EMP.	UNEMP.	RATE(%)
01	Erie	137.6	128.5	9.1	6.6
02	Clarion, Crawford, Forest, Venango, Warren	108.6	99.7	8.9	8.2
03	City of Pittsburgh	177.6	168.3	9.2	5.2
04	Allegheny County minus City of Pittsburgh	499.7	474.1	25.5	5.1
05	Beaver	61.4	55.8	5.6	9.1
06	Armstrong, Butler, Indiana	143.2	131.0	12.2	8.5
07	Fayette, Westmoreland	241.3	224.2	17.1	7.1
08	Greene, Washington	110.5	102.2	8.4	7.6
09	Cameron, Clearfield, Elk, Jefferson, McKean, Potter	107.2	97.3	9.9	9.3
10	Bedford, Blair, Cambria, Fulton, Huntingdon, Somerset	212.6	192.4	20.2	9.5
11	Centre, Clinton, Columbia, Lycoming, Mifflin, Snyder, Union	232.3	214.9	17.5	7.5
13	Bradford, Sullivan, Susquehanna, Tioga, Wyoming	84.9	78.6	6.4	7.5
14	Lackawanna	111.9	103.0	8.9	8.0
15	Carbon, Monroe, Pike, Wayne	112.3	103.2	9.1	8.1
16	Luzerne, Schuylkill	238.2	217.0	21.2	8.9
17	Philadelphia	751.0	690.4	60.6	8.1
18	Bucks	309.3	287.8	21.6	7.0
19	Montgomery	395.1	375.7	19.4	4.9
20	Delaware	296.9	280.7	16.2	5.5
21	Chester	203.2	194.4	8.8	4.3
22	Lehigh, Northampton	279.2	260.7	18.5	6.6
23	Berks	179.3	167.4	11.9	6.7
24	Cumberland, Dauphin, Juniata, Lebanon, Perry	350.5	332.0	18.5	5.3
25	Lancaster	231.9	220.2	11.7	5.0
26	York	186.9	175.5	11.4	6.1
27	Adams, Franklin	102.1	95.5	6.6	6.4
28	Lawrence, Mercer	101.7	95.0	6.7	6.6
29	Montour, Northumberland	57.6	52.3	5.3	9.2
	PENNSYLVANIA - TOTAL	**6024.0**	**5618.0**	**406.0**	**6.7**

A Service Delivery Area is a geographical planning region defined by the Job Training Partnership Act (JTPA).

SPECIAL INTEREST TOPIC

UNEMPLOYMENT COMPENSATION TRUST FUND SOLVENCY TRIGGER MECHANISM

In 1988, Pennsylvania's General Assembly amended the state's Unemployment Compensation Law to include an unemployment compensation solvency trigger mechanism. The trigger mechanism was designed to provide automatic tax adjustments in order to maintain an Unemployment Compensation Trust Fund balance that is neither dangerously low nor unnecessarily high. As the balance in the fund falls, the trigger determination activates tax increases on employers and workers and reduces benefits to claimants. Conversely, when the fund balance rises the tax increases are suspended and benefits are restored to claimants. At the top trigger level, when the fund has a healthy balance, employers receive a 1.5 percent tax reduction.

A trigger determination occurs annually on July 1. The determination expresses the balance of the fund on June 30 as a percentage of the average annual benefit payout over the last three fiscal years. This percentage is cross-referenced to the schedule in the state's Unemployment Compensation Law to determine what solvency measures will be in effect in the next calendar year.

The percentage determined on July 1, 1991 was 122 percent. This percentage will activate additional unemployment taxes for 1992 in the form of a four percent surcharge on employers' contributions due (an average of about $16 per employe earning at least $8,000 per year) and a .05 percent tax on workers' wages (50 cents in tax for each $1,000 earned).

The adoption of the solvency mechanism by the General Assembly has generated about $1.5 billion in tax savings and benefit restorations through 1991. This is the first time that the mechanism will bring additional revenue into the Trust Fund. The mechanism is estimated to provide an additional $108 million in revenue to the Trust Fund for 1992.

TECHNICAL NOTES

Civilian Labor Force Estimates

Civilian Labor Force - Estimated number of persons 16 years of age and over, employed or unemployed during week including 12th of month, distributed by place of residence.

Total Employed - Includes nonagricultural wage and salary workers, the self-employed, unpaid family workers, domestics, agricultural workers, and persons involved in labor disputes. Employment distributed by place of residence.

Total Unemployed - Estimated number of persons, by place of residence, who did not work during reference week and were looking for work, whether or not eligible for unemployment compensation. Includes those who did not work and were waiting to be called back to an old job or to report to a new job.

Nonagricultural Wage and Salary Employment

Collection - Nonagricultural wage and salary employment as well as hours and earnings estimates based on monthly reports from sample of employers. Under cooperative arrangement with U.S. Bureau of Labor Statistics, the Bureau of Research & Statistics of the Pennsylvania Department of Labor & Industry, mails, edits, and processes reports, which are subsequently incorporated in national data.

Industrial Classification - Employer establishments classified by industry on basis of their principal product or service. The Standard Industrial Classification Manual (U.S. Office of Management and Budget, Washington, D.C., 1987) used for classification.

Nonagricultural Employment - A count of jobs by place of work. Includes persons on paid sick leave, paid holiday, or paid vacation. Excluded are persons laid off, on strike, or on unpaid vacation during entire reporting period. Proprietors, the self-employed, unpaid family workers, farm workers, and domestic workers also excluded. Government employment covers only civilian employes. Full-time teachers considered employed during the summer vacation period, whether or not paid in those months.

Benchmark Data - Employment estimates compared annually with complete count of employment, by industry. Where revisions necessary, monthly estimates adjusted to new benchmark. Following revisions to new benchmark, industry data projected forward to current month by use of sample trends. Basic source of benchmark information is tabulations of employment data, by industry and area, compiled from contribution reports of employers covered under Pennsylvania Unemployment Compensation Law.

Hours and Earnings

Method of Computing Averages - Average hours computed by dividing total production worker hours worked during one week (the seven-day period which includes 12th of month) by number of production workers for week. Average hourly earnings computed by dividing total production worker payroll for one week by total production worker hours for week. Average weekly earnings derived by multiplying average hourly earnings by average weekly hours.

Definitions - Definitions of production or similar workers, payroll, and hours - from which average hours and earnings data are derived - follow:

Production Workers - Includes working supervisors and all nonsupervisory workers (including group leaders and trainees) engaged in fabricating, processing, assembling, inspection, receiving, storage, handling, packing, warehousing, shipping, maintenance, repair, janitorial and guard services, product development, auxiliary production for plant's own use (such as power plant), and record keeping and other services closely associated with production operations.

Payroll - Represents payroll for full- and part-time production, construction, or nonsupervisory workers who received pay for any part of pay periods which include 12th of month. Payroll is reported before deductions for Social Security, group insurance, withholding tax, bonds, and union dues; also includes pay for overtime, holidays, vacations, and sick leave paid directly by the firm.

Hours - Represents hours worked or paid, during pay periods which include 12th of month, for production, construction, or nonsupervisory workers. Hours include time paid for holidays and vacations, and for sick leave when pay received directly from firm.

Unemployment Compensation

Initial Claims - Notices of unemployment filed to request a determination of entitlement to compensation in a new benefit year (period of eligibility) following a period of employment or to begin a second or subsequent period of eligibility within the benefit year following interim employment within the benefit year.

Weeks Claimed - Requests for benefits filed by claimants which certify to the fact the claimants experienced total, partial, or part-total unemployment for given weeks.

Average Weekly Claims - Total number of weeks claimed in a month divided by the number of weeks in the month.

Insured Unemployment Rate (IUR) - Ratio of the average weekly number of persons claiming unemployment compensation benefits within the given month to average annual covered employment. Calculated by dividing the month's average weekly continued weeks claimed by average annual covered employment. Average annual covered employment is estimated until six months after year's end due to a lag in reporting covered employment.

First Payment - First benefit check a claimant receives for a week of unemployment in a benefit year.

Weeks Paid - Weeks claimed which were paid to eligible claimants upon certification that unemployment compensation qualifying unemployment was experienced during given weeks.

Net Benefit Amount - Amount of regular unemployment compensation benefits paid to claimants, after adjusting for returned and redeposited benefit checks.

Income - Amount of funds deposited into the Unemployment Compensation Trust Fund for the current month including employer and employe contributions, transfers from other sources such as the Special Administration Fund, redeposited unemployment compensation checks, federal benefit program reimbursements, loans, and interest earnings.

Disbursements - Amount of funds disbursed from the Unemployment Compensation Trust Fund for the current month including the payment of state unemployment compensation benefits, federal program benefits, refunds, and voluntary federal loan repayments.

Cash Reserves - Amount of funds available in the State's Unemployment Compensation Trust Fund available to pay unemployment compensation benefits.